

Solid Waste Franchising Legislation

Frequently Asked Questions

Question:

What are some of the reasons the County wishes to explore solid waste collection franchising?

Answers:

Franchising solid waste collection will allow the County to help ensure that uniform and efficient residential solid waste collection occurs throughout the County.

It will provide increased opportunities for more residents to receive curbside recycling services, which, in the future can reduce both the residents' and haulers' waste disposal costs.

In addition to basic trash and recycling services, franchising can also provide access to other optional services such as yard waste collection.

Franchising can reduce the number and frequency of trash trucks driving over County roads that service residents, reducing both diesel fuel and greenhouse house gas emissions.

Question:

Is this the first time the County has pursued this legislation?

Answer:

No. The Board of County Commissioners (BoCC) has considered this legislation three times. It has been included as an initiative in their legislative request to the local Delegation in 2006 and 2007, and again for the 2008 session.

Question:

If this legislation is approved will it immediately create solid waste collection franchises?

Answer:

No. If this enabling legislation is approved, it will simply give the Board of County Commissioners another tool that they may use to improve the efficiency of solid waste management and increase recycling services to residents. A substantial amount of effort will be needed to actually establish the franchise areas. This could take 6 to 12 months of work by both the County and the haulers to put in place a concept that meets the needs of the residents, the waste haulers, and the County.

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Question:

I have heard that if the County gets the authority to use solid waste collection franchises it will put most of the private waste haulers out of business. Is this true?

Answer:

No. Unlike the contract collection alternative, which the BoCC already has the authority to use, the franchising option is expected to result in maximum participation by most, if not all, of the existing haulers.

Question:

What is the contract collection alternative? Could it be used to improve the efficiency of recycling and trash collection in the County?

Answer:

The County currently has the ability to bid solid waste and recycling collection services for all of the unincorporated areas of the County.

However, if this approach is used it typically would be based on the lowest cost to secure the services, which may result in only a few of the existing waste haulers being able to compete. Some haulers may not be able to meet the County's performance bond requirements because of their small size. The contract collection alternative could be used to improve the efficiency of recycling and trash collection in the County and it may, if based on the lowest bid, result in a lower overall cost to the County residents served by such a contract.

Question:

Won't the County have the same problem if they use solid waste collection franchises?

Answer:

No. In the franchise environment the County can develop collection districts that closely match existing haulers current market share and their capacity for growth. In a franchise environment, having as many of the existing haulers as possible working in defined districts in the County will provide a robust and reliable collection system, allowing performance bonding requirements for each hauler to be much less than that typically required for bid contracts. Using franchising, our goal is to help the existing haulers work more efficiently and not get directly involved in their business.

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Question:

Has the County ever bid waste collection services for areas of the County?

Answer:

Yes. The County currently has a contract with Allied Waste (BFI) for its residential curbside recycling collection program (Blue Bins) that serves approximately 53,000 households with once-per-week pickup. This contract, which is in its seventh year, was to expire in September 2007, but was renewed through September 2008. Sometime before then we expect to re-bid these contract services.

Question:

Does franchising provide any benefits for the existing haulers?

Answers:

Yes. Franchise agreements can be written for extended periods of time, up to ten years, providing a stable customer base for each waste hauler.

The franchise agreements can include fuel escalation and cost of living increases that help ensure the haulers are being compensated at a fair rate for their services.

Some lending institutions can treat franchise agreements as collateral against which haulers can purchase trucks or other related collection equipment. Newer equipment means more reliable customer service and less vehicle pollution.

With properly designed franchise areas, most waste haulers will operate in a consolidated service area, reducing the wear and tear on their vehicles associated with current subscription services in large areas, where they may only serve a fraction of the community.

Question:

Has the County discussed the franchising concept with the haulers and received their input?

Answer:

Yes. Initial contacts with haulers who had concerns about the proposed legislation started early in 2006, when this legislation was first being considered by the local Delegation. In the Fall of 2006, the Commercial Solid Waste Company Waste Hauler representative of the County's Solid Waste Advisory Committee met with small and medium sized haulers to discuss their particular concerns. In January of 2007, the Division of Utilities and Solid Waste Management conducted two stakeholders meetings with haulers to discuss the legislation and obtain their input. Most recently in October and November of 2007, four similar additional roundtable discussions were again held with haulers.

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Question:

Will homeowners pay more or less under franchising?

Answer:

Neighboring jurisdictions (Montgomery, Baltimore, Howard and Anne Arundel Counties) found that franchising/contracts resulted in better service and lower costs for residents.

Question:

So what are the benefits to the County?

Answers:

If the County Commissioners are successful with the legislation and choose to grant solid waste collection franchises, they will have another tool that can be used to increase recycling and trash collection efficiency within the County. Specific benefits include:

Provision of a uniform collection service for residential recycling and trash collection for the unincorporated areas of the County.

Expansion of the existing curbside residential recycling program to potentially include all households in the County, further reducing the amount of waste that is transferred to out-of-County landfills for disposal.

Provides an alternative to the contract (bidding) waste collection alternative, which the County already has the authority to use.

Elimination of duplicate trash collection services along County roads and in subdivisions, resulting in less large vehicular traffic and associated wear and tear on County roads.

Question:

If the County uses franchised collection districts, who will bill the residents for the services provided?

Answer:

This would be up to the County and the franchised haulers. If the haulers would prefer and the BoCC agrees, the County could collect the service fees and pay the haulers each month.